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theorizing, with due emphasis on essentials, its store of detailed and sifted information, its eminent fairness, its caution in conclusion and generalization—all combine to make it a model of what such a work ought to be, at once a thoughtful presentation of an important if hackneyed problem, and a substantial contribution to the economic history of our country.

H. R. MUSSEY.

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The Valuation of Urban Realty for Purposes of Taxation. With Certain Sections Especially Applicable to Wisconsin. By WILFORD ISBELL KING. University of Wisconsin Economic and Political Science Series, Vol. VIII, No. 2. (Madison: Bulletin of the University of Wisconsin. 1914. Pp. 133-246. 25 cents.)

Mr. King has performed a service to all assessors by this study of the principles which should govern the assessment of urban real estate, and by explaining practical methods of standardizing assessments to the end that all owners of real estate shall pay their share of taxes in proportion to the value of their property.

First there is a discussion of the value of land, what is meant by the term, and the various evidences of value which may be used to determine value. The practical difficulties arising from the fluctuating prices influenced by various conditions are then pointed out and recommendation is made of remedies for the unequal assessments which are too common in every state. The practical remedies recommended by Mr. King are four.

1. Assessment of all property at full value.
2. Assessment by trained assessors holding office for long terms.
3. Complete publicity.
4. A definite system of valuation.

To obtain assessment of real estate at full value, supervision by the state is necessary. In no case should state taxes be wholly dependent upon the valuation of local assessors. Trained assessors can be obtained only by appointment, not by election; and no person who has not first passed a rigid examination should be eligible for appointment. Permanent tenure of office, subject to removal for cause, is a necessary condition. These statements must commend themselves to all who are familiar with actual conditions.

As a necessary mode of obtaining equality and publicity, Mr. King recommends what is commonly known as the unit system, which is employed wherever assessments worthy of the name are made. He recommends that the ordinary unit should be a strip of land 1 foot wide by 100 feet deep, although, being a practical man, he says that if in any section lots are of a uniform depth, greater or less than 100 feet, this uniform depth may be taken as the unit. Generally the uniform unit of 100 feet in depth is regarded as the best. Under the unit system, the front foot value is determined from all of the evidences obtainable, and is set down on maps of convenient size and shape so that the unit values may be displayed on one sheet for considerable areas. The whole city is treated in like fashion.

In discussing the value of buildings, Mr. King points out that this value can not exceed the cost of reproduction and is not governed by original cost, which might be much greater. In discussing depreciation and obsolescence (the latter being very important in rapidly changing American cities), he says that the value of land and building together, when the building has any value, may be determined by capitalizing the net rent at about the rate on mortgage loans on real estate in the neighborhood. In his treatment of the relation of the depth of a lot to its value, Mr. King gives the rules in use in Cleveland, Chicago, New York, Milwaukee, and London, also the Davies rule somewhat in use in New York for determining the value of a lot of greater or less depth than 100 feet. He points out clearly that these rules are not of universal application and must often be modified for retail districts, wholesale districts, and residential districts; in some cities the curve of value in use in residential districts is quite different from that in use in retail business districts. He shows how a curve of value may be plotted when a reasonable number of sales of lots of different depth have been made, and the considerations are known.

In many cities alleys are common. The various theories concerning the value to be ascribed to alley influences are considered, and Mr. King recommends that the usual mode of computing the value should be by adding a percentage to the front foot value, because of the existence of the alley at the rear of the lot. He shows that there is a serious objection to simply adding part or all of the alley area to the area of the lot. An alley

situated 30 feet from the street and parallel to it would add less to the value of the lot than would an alley 100 feet from the street; although if the area of the lot were computed on the basis of any short-lot rule, it would appear to have a greater value with an alley near the street than with one further from it.

The enhancement of the value of a lot by reason of its position at the corner of intersecting streets is treated in the light of the studies made by the late W. A. Somers, Messrs. Lindsay and Bernard, Mr. Pleydell, and others. In the case of the intersection of retail streets, Mr. King agrees that the relative value of the intersecting streets must have an important bearing upon the percentage of enhancement due to corner position. He presents an ingenious diagram of his own showing the reason for this enhancement of value, and gives rules for the construction of curves of value where there is adequate information concerning rentals and sales.

There is a small part of Mr. King's book that, to the average reader, is rather difficult of comprehension because of the use of mathematical terms with which many persons are unfamiliar. Some of the computations relating to depreciation are, perhaps, too abstruse and academic. But this statement applies to very little of the book. It might well be put into the hands of every man concerned with the assessment of real estate.

LAWSON PURDY.

NEW BOOKS

BEHREND, L. *Die Entwicklung der direkten Steuern in Hamburg und die Errichtung der Steuerdeputation am 9.3.1915.* (Hamburg: Boyesen. 1915. Pp. iv, 78. 1 M.)

COLETTE, P. M. *Impôts sur les valeurs mobilières.* (Paris: Tenin. 1915. 1 fr.)

D'EICHTHAL, E. *Des évaluations du coût de la guerre.* (Paris: Alcan. 1915. 0.60 fr.)

FIGARD, J. *Lendemain financiers d'une guerre.* (Paris: Alcan. 1915. 3 fr.)

FITZPATRICK, J. T. *Tax law of the state of New York.* (New York: Baker, Voorhis. 1915. Pp. 247. \$1.)

FREWEN, M. *Memorandum on the finance of the Great War.* (London: Spottiswoode. 1915. 6d.)

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